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IN THE

Supreme Court of the United States

October Term, 1966
No. 709

McCULLOUGH TOOL COMPANY, *et al.*,

Petitioners,

vs.

WELLS SURVEYS, INCORPORATED, *et al.*,

Respondents.

Brief of Respondents, Well Surveys, Incorporated, Et Al., in Opposition to Petition for Writ of Certiorari.

Opinions Below.

The findings of fact and conclusions of law in the United States District Court for the Northern District of Oklahoma are reported at 199 F.Supp. 374 and appear on pages 61a-117a of the Appendix to the original Petition for a Writ of Certiorari (hereinafter cited as Original Appendix). The opinion of the Court of Appeals for the Tenth Circuit is reported at 343 F.2d 381 and appears on pages 1a-57a of the Original Appendix.

The Petitioners filed their original Petition for a Writ of Certiorari herein on July 19, 1965 (No. 366, October Term, 1965). Following this Court's decision in *Graham v. John Deere*, 383 U.S. 1, decided February 21, 1966, this Court, on March 7, 1966, denied said

original petition. Thereafter, on March 14, 1966, the Court of Appeals issued its mandate to the District Court. On March 24, 1966, Petitioners requested and were granted an extension of time by this Court to petition for rehearing in order that they might "wholly evaluate" the effect of the decision in *Graham v. Deere* and other recent decisions of this Court upon this case. The Petitioners thereafter brought a Petition for Rehearing for Writ of Certiorari, *but the same was limited to misuse issues*. Said Petition for Rehearing was denied May 16, 1966.

On July 18, 1966, the Petitioners moved in the Court of Appeals to modify the mandate. On July 22, 1966, the Court of Appeals denied Petitioners' motion, this denial appearing on pages 37a and 38a of the Appendix to Petitioners' present Petition. The present Petition was filed October 20, 1966.

Jurisdiction.

The jurisdiction of this Court is invoked by Petitioners under 28 U.S.C. 1254(1). However, this Court does not have jurisdiction, because the Petition herein was filed outside the time limit provided in 28 U.S.C. 2101(c) and Rule 22 of this Court.

Constitutional Provision, Statute and Regulations Involved.

In addition to the constitutional provision and statutes adequately set forth by Petitioners, this case involves 28 U.S.C. 2101(c) which provides:

"Section 2101. Supreme Court: time for appeal or certiorari; docketing; stay

* * *

"(c) any other appeal or any writ of certiorari intended to bring any judgment or decree in a civil action, suit or proceeding before the Supreme Court for review shall be taken or applied for within ninety days after the entry of such judgment or decree. A justice of the Supreme Court, for good cause shown, may extend the time for applying for a writ of certiorari for a period not exceeding sixty days."

Rule 22 of the Supreme Court Rules provides in pertinent parts:

"Rule 22. Review on certiorari—time for petitions.

* * *

"3. A petition for writ of certiorari in all other cases shall be deemed in time when it and the certified record required by Rule 21 are filed with the clerk within the time prescribed by law."

Questions Presented.

The Respondents disagree with the statement of Questions 1-5 presented in the Petition.

1. Question 1 as stated by the Petitioners is not presented by the record. The question, as stated, wrongly assumes a lack of compliance by the Tenth Circuit with the mandates of this Court. There is nothing in the record to support any such assumption. The only proper question for inquiry is whether or not the Court of Appeals correctly applied the applicable law as stated in Question 6.

2. The factual assumptions in Petitioners' statement of Question 2 are also incorrect. The second

question assumes that there was no factual basis to which the applicable law could be applied in determining the matter of validity. On the contrary, the factual bases of the lower courts' decisions are quite clear. Again, the proper question is only whether or not the Court of Appeals correctly applied the applicable law.

3. Question 3 also is based upon an incorrect statement of the record. It assumes that the courts below upheld the validity of the Swift patent by applying a test of "new and better results" rather than the statutory test of non-obviousness. Again, the only proper question is whether or not the courts correctly applied the applicable law, which they did.

4. Question 4 is very nearly the same as Question 3, and assumes that the Court of Appeals ignored tests laid down by this Court in *Graham v. Deere.* Although its opinion was handed down before the decision in *Graham v. Deere,* the Court of Appeals applied the statutory non-obviousness test as required by *Graham v. Deere.* The Court of Appeals was certainly not ignoring this Court by issuing its mandate pursuant to this Court's own denial of certiorari following *Graham v. Deere.* Again, the only proper question is whether or not the Court of Appeals correctly applied the applicable law.

5. Question 5 assumes that the Trial Court had not given consideration to the scope and content of the prior art, the differences between the prior art and the claims in issue and the level of ordinary skill in the art. This is contrary to the findings of the Trial Court and the opinion of the Court of Appeals, which clearly show that such consideration was given prior to applying the

statutory test of non-obviousness. The only proper question is whether or not this test was correctly applied.

6. Question 6 is the only question properly stated, and it is not timely presented.

Statement of the Case.

Petitioners' Statement of the Case is incomplete and in some respects inaccurate. The only significant statement in pages 6-11 is that contained on page 6:

> "The Swift patent discloses a simple structure, namely, a device for logging a well and at the same time locating the position of collars of a casing which previously was lowered into the well." Petition, p. 6.

We therefore here briefly restate the facts, giving particular emphasis to the facts in respect to the three inquiries to be made for determining patentability: scope and content of the prior art, differences between the art and the claims at issue, and the level of ordinary skill in the art.

1. The Scope and Content of the Prior Act.

The prior art was very ably presented to the Trial Court by counsel for Petitioners. The Petitioners extensively argued this art before the Court of Appeals, which made specific reference to each item of prior art in its opinion (Original Appendix, p. 14a). It is therefore difficult to see how Petitioners can now assert that there was a "total absence of real consideration of the 'scope and contents' of the prior art".

Although only the Ennis patent is specifically mentioned in the Swift findings, the Ennis patent was the

reference most particularly relied upon by the Petitioners in the Trial Court. In Finding 62 (Original Appendix, p. 89a), the Trial Court referred to *all* of the prior art and Ennis in particularly, as not anticipating the invention. Petitioners quote a portion of this finding on page 11 of their petition and characterize it as merely a finding of naked novelty not going to the question of obviousness. However, Petitioners carefully ignore the rest of Finding 62 which states:

> "The new combination of elements forming the Swift invention and their new mode of operation *were not obvious to those skilled in the art* at the time the Swift application was filed." (Emphasis added).

The Petitioners further assert that the various Schlumberger uses were not properly considered, referring particularly to the material shown in Exhibit A to the Petition which was part of the subject matter considered in the complete new trial on the issue of alleged public use. At the new trial, the Petitioners placed their primary emphasis upon alleged public use by Well Surveys, Inc. and Lane-Wells Company. However, *all* of the alleged public uses were considered at length and Findings 128-133 (Original Appendix, pp. 110a-112a) were entered. Although the Schlumberger uses were given secondary importance by Petitioners at the new trial, they now assert that insufficient findings were made in respect to such uses, and that the Court should have found that the Schlumberger tool recorded formations and casing collars simultaneously. To the contrary, the testimony of Dr. Bonner, uncontroverted at trial, showed that the Schlumberger equip-

ment could not make a formation log. As Dr. Bonner testified [Record, p. 769]:

> "So it seems clear that they designed this instrument and method so that they did not get any effect from normal radioactivity of the formation. That was their desire and wish and result."

This was fully supported by Mr. Rieke of Schlumberger. The whole matter was considered at length in the Trial Court and the record furnishes ample basis for Finding 133. (Original Appendix, p. 112a)

> "The use by Schlumberger Well Surveying Corp. of various forms of tools and equipment in performing LRM (locating radioactive markers) service prior to March 22, 1945, was not a prior public use of the invention covered by the claims of the Swift patent No. 2,554,844."

2. The Differences Between the Prior Art and the Claims in Issue.

Having fully considered the prior art, the Trial Court made detailed findings of the differences between such art and the Swift invention (Findings 54-60; Original Appendix, pp. 85a-88a), summarized as follows:

Prior to the invention of the Swift patent [Record, p. 1109] which was filed in 1946 and issued in 1951, the radioactivity well logging industry had not been able to solve the problem of accurate depth measurement and since depth measurement is just as important to a well log as the radiation measurement, the problem was very serious. This problem was first solved by the invention of the Swift patent which met with immediate and substantial commercial success.

Swift utilizes the collars connecting the successive sections of the well casing as bench marks to indicate depth and thereby produce an improved log. The Swift patent discloses and claims a well logging tool which, when lowered into the well, simultaneously produces radiation signals and collar location signals, combines said signals, transmits them to the surface, and then simultaneously records the signals to provide a log in which the radiation measurements are accurately correlated with depth by the casing collar record. The casing collar signals are primary depth measurements made separately at the same time and place as the radiation measurements, the two measurements being tied together at the place of measurement by combining the separate signals.

As both courts below held, the resulting log is essentially different from and more accurate than the logs wherein depths are determined by secondary measurements made at the surface, separated from the points of radiation measurement by the length of the cable in the hole, as was the prior practice. This is a new and useful result that no prior invention had ever achieved, and was the first satisfactory solution of the problem.

It is crystal clear from Findings 54-60, 132 and 133 that the Trial Court thoroughly considered the differences between the prior art and the claimed invention. It is equally clear from the decision of the Court of Appeals (pp. 13a-17a, Original Appendix) that that Court likewise fully considered said differences.

3. The Level of Ordinary Skill in the Art.

The Trial Court gave particular attention to the level of the ordinary skill in the art in determining the matter of non-obviousness. This is evident from Finding 62 quoted above, which states that the Swift invention "was not obvious to those skilled in the art." The level of ordinary skill in the art was determined by the Trial Court from the voluminous art offered in evidence and explained by Petitioners at the trials, and from the testimony of the expert witnesses.

Although Petitioners note that the court referred to the level of skill at the time the application was filed rather than at the time the invention was made as provided by statute, it is obvious that the invention had to be made prior to the date of the application and therefore that the ordinary skill in the art at the time of the application was at least as great as at the time the invention was made.

ARGUMENT.

1. The Same Question Has Been Presented Previously.

This Court denied Petitioners' previous Petition for a Writ of Certiorari on the statutory standard of patentability. On page 40 of their original Petition, Petitioners referred specifically to the grant of certiorari in the case of *Graham v. Deere* and on page 41 quoted the same part of the decision of the Court of Appeals as they now quote on page 10 of their present petition. In the previous petition (p. 40), Petitioners called attention to 35 U.S.C. 103 and presented the same question they are attempting to present here, *i.e.*, whether or not the Court of Appeals followed the statutory test of patentability. Question 6 of the present petition states the statutory conditions for patentability. This same question was raised by Question 4 of the previous petition which was denied.

It is evident that what Petitioners are presently complaining of is the test applied by the Court of Appeals in its opinion of March 17, 1965. The Petitioners now attempt to cast the question in a different light by referring to the case of *Graham v. Deere* rather than 35 U.S.C. 103 as referred to in the previous petition. Additionally, the Petitioners misstate the time relationship between the cases where they state on page 2 of their present petition that *Graham v. Deere* was first published *after* denial of certiorari in this case. The facts are, that the original petition herein was filed after certiorari had been granted in *Graham v. Deere*, and indeed the petition called attention to that fact. The petition remained pending for seven months, during which time *Graham v. Deere* was argued and decided, the decision being handed down February 21,

1966 and published in the United States Law Week the following day. Petitioners' original petition was *thereafter* denied by this Court on March 7, 1966.

Following the denial of the previous petition, the Petitioners requested, and on March 24, 1966, this Court granted, an extension of time to file a petition for rehearing. The basis of the request was the alleged need for time to consider the effect of *Graham v. Deere* preparatory to bringing a petition for rehearing. In the last paragraph of said request, Petitioners stated:

> "Moreover, it is quite clear from a consideration of this Court's opinion in *Graham et al. v. John Deere Co., et al.*, decided February 21, 1966, that both Courts below in the present case applied the wrong test under 35 U.S.C. §103 in sustaining the validity of the patents in suits."

The request for time was granted and the petition was subsequently brought, but without reference to *Graham v. Deere.*

The Petitioners now say that they failed to raise the matter in their petition for rehearing beceuse of a supposed similarity to the case of *McCullough v. Kammerer,* 323 U.S. 327 (1945). But in *McCullough v. Kammerer,* the matter upon which a writ of certiorari was sought had not been raised, litigated or passed upon below. Since there was no record upon which this Court might rule, it dismissed its writ of certiorari in the *Kammerer* case.

In the present case, it is perfectly evident that the matter of the application of the proper standard of patentability was raised below, that the Trial Court made findings of non-obviousness and that the Court of Appeals considered the basis for such findings and the

applicability of 35 U.S.C. 103. Therefore, in the present case there certainly was sufficient record upon which a petition could be based. This is further evidenced by the fact that the present petition is based upon the *same* record as the former petition, the courts below having done nothing since the previous petition but stand on their opinions.

Although the Court of Appeals' opinion herein was prior to the decision in *Graham v. Deere*, the entire record was complete at the time the first petition for certiorari was denied. The time, if any, when the Petitioners should have raised the decision in *Graham v. Deere* was in their petition for rehearing on their original petition for certiorari. Petitioners were at that time well aware of *Graham v. Deere* and any pertinence it may have had to the present case, for this was the basis of their obtaining an extension of time to file their petition for rehearing.

Petitioners' present petition is further evidence of their desire to prolong this litigation indefinitely so that Respondents will never obtain the relief to which they have been adjudged entitled. Since Respondents first obtained a judgment in the Trial Court on March 16, 1961, various participants have died, and Judge Savage is no longer on the bench. As this Court so aptly stated in *Toledo Scale Co. v. Computer Scale Co.*, 261 U.S. 399, 425 (1923):

> "As Mr. Justice Story remarked in Ocean Insurance Co. v. Fields, 2 Story, 59, 18 Fed. Cas. No. 10,406:
>
> > 'It is for the public interest and policy to make an end to litigation, or, as was pointedly said by a great jurist, that suits may not be immortal, while men are mortal.' "

2. The Petition Is Untimely.

Although the petition purports to be a petition from a judgment entered July 22, 1966, that judgment was merely the denial of a motion to modify the mandate. The basic objection is as to the judgment entered March 17, 1965 and to the mandate issued March 14, 1966 effectuating that judgment. This petition was not filed until October 22, 1966, outside the ninety days permitted by 28 U.S.C. 2101(c) and Rule 22 of this Court, which started to run with the issuance of the mandate on March 14, 1966. Where a later decree makes no change of substance from an earlier decree, the time for petitioning for a writ of certiorari runs from the date of the first decree. *F.T.C. v. Minneapolis-Honeywell Co.*, 344 U.S. 206 (1952). As the Court there states, on page 213, "litigation must at some definite point be brought to an end."

To be sure, where a timely motion to amend the decree is filed, the time runs from the date of the order overruling the motion. However, in the present case the motion to modify the mandate itself was not timely, nor was it the sort of motion that could automatically extend the time. The rules of the Court of Appeals do provide for motions for rehearing, and this Court permits petition for writ of certiorari within specified periods after the time of the denial of such motions for rehearing. However, there is no provision for endless motions to recall final acts of the Court of Appeals.

The mandate itself followed this Court's denial of the first petition for certiorari and was in keeping both with the Court of Appeals' decision and this Court's denial of such petition. The motion to modify the mandate was not brought until July 18, 1966, more than

three months after the mandate was issued on March 14, 1966. By that time the Petitioners had exceeded their time for filing a petition for certiorari to the mandate. They may not extend the time after it has expired merely by filing a motion. *F.T.C. v. Minneapolis-Honeywell Co., supra.* To permit a motion to set aside such final decisions and to further delay the final determination of this case would indeed make this suit immortal.

3. The Courts Below Correctly Applied the Statutory Standards of Patentability to the Facts of This Case.

(a) The Courts Applied the Statutory Standard of Patentability.

Although the present Petition should be denied because the same question was raised in the first Petition and because the present Petition is untimely, the primary reason why this second petition should be denied, is that the courts below did follow the proper statutory standard of patentability as set forth in 35 U.S.C. 103. Although the *Graham v. Deere* case had not been decided at the time of the decisions of the Trial Court and Court of Appeals herein; both courts adhered to the non-obviousness rule as stated in the statute and as later reiterated by this Court in *Graham v. Deere.* Contrary to the Petition, there is no irreconcilable conflict between the decisions herein and the statute or *Graham v. Deere.* Both courts below specifically found the Swift invention to differ from the prior art in a manner not obvious to those skilled in the art.

Petitioners assert that the Court of Appeals erred in following the test of "new or better results". This is

certainly not the case. As the Court of Appeals noted (Original Appendix, p. 14a), it was the Petitioners who contended for the test of new and useful result relying on *Great Atlantic & Pacific Tea Company v. Supermarket Equipment Corp.*, 340 U.S. 147 (1950). That case stated that mere aggregation of a number of old parts or elements which, in the aggregation perform or produce no new or different function or operation than previously performed or produced by them, is not a patentable invention. It was in response to this contention by Petitioners that the Trial Court and Court of Appeals found that a new and useful result was obtained. At the same time, they applied the statutory test and found the Swift invention to be non-obvious to those skilled in the art.

The Trial Court found

> "62. The prior art, and particularly the Ennis patent, does not anticipate Swift. The new combination of elements forming the Swift invention and their new mode of operation were not obvious to those skilled in the art at the time the Swift application was filed." (Finding 62, Original Appendix, p. 89a).
>
> "64. The well logging apparatus with casing collar locator defined by the claims in issue of the Swift patent is of great utility and value; it was not obvious, but was the result of invention by the patentee; and it is not anticipated by, but displayed substantial inventive advance over, the prior art in evidence." (Finding 64, Original Appendix, p. 90a)

In affirming, the Court of Appeals gave particular attention to these findings and concluded that the Swift

device was not obvious to one skilled in the art and displayed substantial inventive advance over the prior art. (Original Appendix, pp. 14a and 17a) The Court of Appeals further stated:

> "The general rule is that before a device may be patentable, the improvement over the prior art must involve more than would be obvious to one of ordinary skill in the art." (Original Appendix, p. 30a).

There is no room for doubt that the courts below had the proper rule in mind.

(b) The Courts Below Made the Proper Factual Inquiries.

The Petitioners complain that the findings of the Trial Court were inadequate to sustain the judgment of validity on the basis of unobviousness. As shown in the above Statement of the Case, the Trial Court considered the prior art in great detail. Petitioners' own Statement of the Case is replete with references to the prior art extracted from the record before the Trial Court. The Trial Court further made findings in respect to such art as Petitioners requested. There is no requirement in the decision of *Graham v. Deere* that the Trial Court make voluminous detailed findings in respect to each item of prior art. Obviously the prior art documents speak for themselves, and there is no reason why the findings should include the entire record. Rather, the Trial Court in this instance reasonably referred to the Ennis patent, which was the most pertinent prior art brought to its attention by Petitioners. Certainly the Court of Appeals had no

difficulty in determining the state of the prior art without further findings on the subject.

That the findings in this case are sufficient for a determination of non-obviousness is indicated by the findings of fact in the case of *United States v. Adams*, 383 U.S. 39 (1966), a companion case to *Graham v. Deere*. These findings are recorded in *United States v. Adams*, 330 F.2d 622 (Ct. Cl. 1964). Findings 22, 23 and 24 are the only findings directed to non-obviousness, and they are not as detailed as the findings herein, yet this Court ruled that the proper inquiries had been made and the proper tests applied.

Requiring a determination of the scope of prior art and a consideration of the differences between such prior art and the case at issue is not the same thing as requiring detailed findings. It is evident from the findings herein that the Courts below fully understood the Swift invention and carefully compared the Swift invention with the prior art as presented by Petitioners. They properly made the determination that the differences were such as to be not obvious to those skilled in the art.

It is quite apparent that the basic factual inquiries were made by the courts below and that they applied the proper statutory test of non-obviousness. The findings of fact in this case in respect to non-obviousness are sufficient to support the judgment and are adequately supported in the record. They are not to be set aside unless clearly erroneous. Fed. R. Civ. P. 52(a).

Conclusion.

The Petition was not brought in time. It raises only matters that were determinable at the time of the original Petition herein, and it was filed more than three months after the decision and mandate complained of. Further, there is no conflict between the rule followed by the Court of Appeals in this case and this Court's decision in *Graham v. Deere.* The Court of Appeals has correctly applied statutory tests of non-obviousness. The Petition for Writ of Certiorari should be denied.

Respectfully submitted,

RUFUS S. DAY, JR.,
700 Terminal Tower,
Cleveland, Ohio 44113,

ROBERT W. FULWIDER,
5455 Wilshire Boulevard,
Los Angeles, Calif. 90036,

ROBERT K. SCHUMACHER,
135 South La Salle Street,
Chicago, Illinois 60603,

Attorneys for Respondents.